

State of Arizona

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Statement by Governor Jan Brewer

PHOENIX – "Since my address to a joint session of the Arizona Legislature in March, I have been very clear about the necessity of and my support for a comprehensive, balanced 5 point plan to bring our state budget back into balance. My support for all 5 points of that comprehensive plan has not changed. I have been very clear about the catastrophic budget challenges our state government faces – one of the largest state deficits per capita. As a committed fiscal conservative, with a proven track record of support for a responsible and less intrusive government, nothing disappointed me more than the deplorable fiscal condition of our state budget when I assumed the Office of Governor in January.

"My 5 point plan includes: structural budget reform to permanently rein in state spending, additional state spending reductions on top of the historic spending cuts I already enacted in my first days in office, a larger rainy day fund that can't be raided until a true fiscal crisis exists, modernization of Proposition 105 that accounts for the reality of economic downturns, and tax reform to attract more quality jobs to our state. The 5th and final point of my budget plan includes a temporary tax increase of at least \$1 billion per year to avoid devastating our education, public safety, and vital public health budgets.

"It is my hope that the Legislature will join with me in enacting all the components of my 5 point plan. Our state budget revenues have declined, not improved, since the presentation of my plan in March. The caseloads for federally required AHCCCS health insurance, as you would expect in an economic downturn, are growing substantially – approximately 47,000 new enrollees in the last 2 months alone.

"Now, more than ever, dramatic steps are necessary to protect our education system, sustain our critical public safety needs, and protect our state's most vulnerable. Now, more than ever, all 5 points of my plan are necessary to get the job done, and to return the State of Arizona back to a path of prosperity."